Fiscal Estimate - 2011 Session

Original Update	d 🔲 Corre	ected	Supplemental					
LRB Number 11-1797/1	Introduction	on Number	AB-0181					
Description Authorizing towns to challenge certain city or village annexation procedures								
Fiscal Effect								
State: No State Fiscal Effect Indeterminate Increase Existing Appropriations Decrease Existing Appropriations Appropriations Create New Appropriations No Local Government Costs Indeterminate 1. Increase Costs Increase Existing Revenues Decrease Existing Revenues Decrease Costs Indeterminate 1. Increase Costs Increas								
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRS SEG SEGS s. 20.505(1)(iu), Stats.								
Agency/Prepared By	Authorized Signat	ure	Date					
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Fiscal Estimate Narratives DOA 6/28/2011

LRB Number	11-1797/1	Introduction Number	AB-0181	Estimate Type	Original		
Description							
Authorizing towns to challenge certain city or village annexation procedures							

Assumptions Used in Arriving at Fiscal Estimate

Assembly Bill (AB) 181 repeals the provisions which prohibit towns from challenging court annexations done by unanimous approval of all the electors residing in the territory and all the property owners in the territory. AB 181 also will enable towns to trigger Department of Administration (DOA) review of annexations in rural counties (less than 50,000 persons).

The repeal of the provision prohibiting towns from challenging unanimous approval annexations will not directly impact DOA. However the provision requiring DOA review of annexations in rural communities could generate additional workload, and program revenue fees collected from the parties seeking review.

An increase in reviewing annexations in rural counties could increase annual program revenue because currently the Department does not review in rural counties. If the town petitions the annexing city or village for mediation, and the city or village refuses, then the Department would review the annexation, and if it finds the annexation to be against the public interest, the town may contest the annexation. Because towns typically are opposed to losing land, many rural towns may conceivably utilize this new procedure, resulting in increased reviews and program revenue for DOA.

This bill enables towns in rural counties to utilize the mediation procedure in s. 66.0307(4m) Wis. Stats. Increased mediations will have a limited fiscal impact on DOA due to the department's administrative responsibilities related to the mediation process.

Local

In the short run, local government costs may increase due to legal costs defending annexation activities under this bill. However, local governments may benefit over the long term from improved annexations that reduce or eliminate haphazard and problematic annexation configurations.

Long-Range Fiscal Implications

Indeterminate - State Indeterminate - Local